Message Text

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ACTION EA-12

INFO OCT-01 ISO-00 AID-05 CIAE-00 COME-00 EB-08 FRB-03
    INR-10 NSAE-00 ICA-11 TRSE-00 XMB-02 OPIC-03
    SP-02 LAB-04 SIL-01 OMB-01 ITC-01 L-03 H-01
    NSC-05 SS-15 STR-07 CEA-01 /096 W
            ------------------020214 010141Z /73

R 310927Z MAY 78

FM AMEMBASSY MANILA

TO SECSTATE WASHDC 6483

INFO AMEMBASSY BANGKOK

AMCONSUL HONG KONG

AMEMBASSY JAKARTA

AMEMBASSY KUALA LUMPUR

AMEMBASSY SEOUL

AMEMBASSY SINGAPORE

AMEMBASSY TAIPEI

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E.O. 11652: N/A

TAGS: EINV, RP

SUBJECT: MARCOS CREATES COMMITTEE TO STUDY PD 1352 (VI)

REF: MANILA 8524 AND PREVIOUS

1. PRESIDENT MARCOS HAS CREATED A CABINET COMMITTEE TO
ASSESS THE IMPLICATIONS OF PD 1352 WHICH ELIMINATED THE
TAX INCENTIVES PROVIDED UNDER INVESTMENT AND EXPORT IN-
CENTIVE ACTS ADMINISTERED BY THE BOARD OF INVESTMENTS.
COMPOSING THE COMMITTEE ARE FINANCE SECRETARY CESAR
VIRATA, INDUSTRY SECRETARY VICENTE PATERNO AND ECONOMIC
PLANNING SECRETARY GERARDO SICAT.

2. PATERNO WANTS A GRANDFATHER CLAUSE TO EXEMPT ALL FIRMS
REGISTERED WITH BOI PRIOR TO APRIL 21, 1978, THE DATE THE
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DECREE WAS SIGNED. VIRATA HAS PUBLICLY STATED IN THE
PRESS THAT HE OPPOSES A BLANKET EXEMPTION AND WOULD ONLY
CONSIDER INDIVIDUAL EXEMPTIONS ON THE BASIS OF THE FIRM'S
FINANCIAL CONDITION. VIRATA INSISTED THAT FIRMS ALREADY
OPERATING AND GENERATING INCOMES SHOULD PAY THEIR SHARE
OF THE INFRASTRUCTURE CONSTRUCTED FOR & ON THEIR BEHALF.

3. PRESS ALSO WIDELY REPORTED VIRATA'S STATEMENT THAT
THE DEVELOPED COUNTRIES, PARTICULARLY THE UNITED STATES,
WANT TO IMPOSE COUNTERVAILING DUTIES ON PHILIPPINE EX-
PORTS BECAUSE OF THE SUPPOSED SUBSIDY GRANTED THROUGH THE
TAX INCENTIVES. HE WAS QUOTED AS SAYING, "IF THESE
COUNTRIES WANT TO COLLECT THE TAXES THAT WE LOST THROUGH
THESE INCENTIVES, WE MIGHT AS WELL SCRAP THESE INCENTIVES
AND COLLECT THE TAXES OURSELVES." TOUSSAINT

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NNN

Message Attributes

Automatic Decaptioning: Z
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: MARTIAL LAW, IMPORTS, COMMITTEES, TAX FREE
Control Number: n/a
Copy: SINGLE
Draft Date: 31 may 1978
Decaption Date: 20 Mar 2014
Decaption Note: 25 YEAR REVIEW
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 20 Mar 2014
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978MANILA08993
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D780228-0460
Format: TEL
From: MANILA
Handling Restrictions:
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t1978054/aaaaacni.tel
Line Count: 70
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: af82179a-c288-dd11-92da-001cc4696bcc
Office: ACTION EA
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: ONLY
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: ONLY
Reference: 78 MANILA 8524
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 01 may 2005
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 2634444
Secure: OPEN
Status: NATIVE
Subject: MARCOS CREATES COMMITTEE TO STUDY PD 1352 (VI)
TAGS: EINV, RP
To: STATE
Type: TE
vdkvgwkey: odbc://SAS/SAS.dbo.SAS_Docs/af82179a-c288-dd11-92da-001cc4696bcc
Review Markings:
 Sheryl P. Walter
 Declassified/Released
 US Department of State
 EO Systematic Review
 20 Mar 2014
Markings: Sheryl P. Walter   Declassified/Released   US Department of State   EO Systematic Review   20 Mar 2014